



Amy L. Alvarez
Federal Government Affairs

Suite 1000
1120 20th Street, NW
Washington DC 20036
202-457-2315
FAX 281-664-9610

July 21, 2004

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW, Room TWB-204
Washington, DC 20554

Re: **AT&T Corp. Petition for Declaratory Ruling Regarding Enhanced Prepaid Card Services, WC Docket No. 03-133**

Dear Ms. Dortch:

Yesterday, James Cicconi, AT&T Corp. General Counsel and Executive Vice President, Law & Government Affairs, had a telephone conversation with Commissioner Adelstein to discuss issues pertaining to AT&T's petition for declaratory ruling regarding enhanced prepaid card services. Mr. Cicconi explained that, if the Commission were, contrary to law, to decide that prepaid card services should be deemed telecommunications services notwithstanding enhancements that make those services information services under existing precedents, the Commission should apply that new rule only prospectively. In addition, Mr. Cicconi explained that it is obvious from the very low prices offered by all prepaid card providers (as low as a *penny* a minute) that AT&T's prepaid card competitors are not paying intrastate access charges (of as much as 10 cents or more per minute) or making universal service contributions in connection with these interstate information services. Accordingly, it would be patently unlawful for the Commission to issue *any* order in this proceeding that singled out AT&T (or vertically-integrated providers) for disparate regulatory treatment. The attached document, which was filed today in the above-referenced proceeding, served as the basis of the discussion.

One electronic copy of this Notice is being submitted to the Secretary of the FCC in accordance with Section 1.1206 of the Commission's rules.

Sincerely,
A handwritten signature in black ink, appearing to read "Amy L. Alvarez", written in a cursive style.